



Michigan Bankers Association

December 8, 2009

The Honorable Randy Richardville  
Chair, Senate Banking and Financial Institutions Committee  
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Dear Senator Richardville:

Thank you for the opportunity to comment on SB 350. While the members of the Michigan Bankers Association understand the intent of the bill and its counterpart HB 5267, we have concerns with the implementation of the bill as introduced. We feel that borrowers who are going through the foreclosure process have all the information that they need to determine a redemption amount, but if the borrower cannot determine the amount, the lender/purchaser should be the one to determine that amount. We also feel that the law spells out the redemption process and has been a process that has worked well.

The Michigan Bankers Association could support SB 350, which allows only 2 county Register of Deeds to determine redemption amounts, if the following issues are addressed: SB 350 includes language that would change the current process and deadlines for purchasers of foreclosed homes to file affidavits when more funds are spent on a foreclosed home after sheriff sale. We would support an amendment to strike these changes in (Sec. 3240 (4)) because they would apply statewide. We would also support amendments to require the affected Registers to determine the redemption amount upon request of the borrower. Thirdly, we would support amendments that specify the affected Registers utilize all recorded documents to determine the redemption amount. Lastly, in the event that the redemption amount was incorrect, we could NOT support amendments that would eliminate the purchaser's right to collect the correct redemption amount.

MBA members support, and will continue to support, efforts that will reduce foreclosures and would support initiatives that will keep people in their homes; banks do not wish to own homes. While everything that can be done to avoid a foreclosure should be done, it needs to take place in a timely, orderly and structured manner to ensure conformity and see that everyone is treated fairly and consistently. We stand ready to work with you, the committee, the sponsor and the interest groups to address the issue of redeeming property in SB 350 and in other bills before the committee.

Sincerely,

A handwritten signature in black ink, appearing to read "Joelle Demand". The signature is fluid and cursive, with the first name "Joelle" and last name "Demand" clearly distinguishable.

Joelle Demand  
Policy Director  
Michigan Bankers Association

CC: The Honorable Senator Nancy Cassis  
The Honorable Members of the Senate Banking and Financial Institutions Committee